

The Sasol-Huntsman project

Case study – Risk and mitigation

One of the leading chemical Maleic Anhydride producers in Europe, Sasol-Huntsman, expanded their production capacity in order to meet growing demand for their products.

A key component was a new chemical reactor that was manufactured by MAN DWE in Germany, also a Zurich customer. The reactor had been built at MAN DWE's factory in Deggendorf, Germany, and was to be transported 600 kilometres, by water and road, to the Sasol Solvents Site in Moers also in Germany. The two-week trip was not a typical, everyday transportation of goods.

The reactor had a diameter of nine meters, a height of eight meters, and weighed 570 tons – the equivalent to 350 saloon cars!

Delivering a key component

The challenge was not only to ensure that there was no damage to the reactor, but that it arrived at the plant on time. The reactor was a key component and without it the new capacity would be unable to begin production, representing a major business interruption and putting Sasol-Huntsman's significant investment at risk.

Considerable risks

The risks were considerable – the loading and unloading procedures were particularly critical due to the enormous weight of the reactor. Risks during the transportation included possible damage to the reactor, or even a total loss. Time delays during the trip would cause the customer to suffer potential production losses and if the reactor were totally destroyed, the production of another reactor would take another two years. Zurich provided Erection All Risk, Marine Transit, and Delay in Start Up cover for the project, as well as risk engineering advice for the transportation of the reactor.

Successful transportation

The transportation comprised a 600-kilometer trip via various rivers including the Danube, the Main-Danube Canal, the Main, the Rhine, and then, after a two-week trip, it was loaded onto a truck to be taken to the Moers plant with a police escort. The reactor arrived safely, undamaged and on time, and the new capacity remained on schedule to start production on time.

Over 100 years of global marine experience makes one insurer stand out.

**For security and expertise choose Zurich's dedicated team of marine insurance specialists.
Contact your insurance broker or visit www.zurich.com.au/marinelogistics for more details.**